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SOCIAL POLICY RESEARCH ASSOCIATES

WORKING PAPER: ACCOUNTABILITY ISSUES FOR ONE-STOP SYSTEMS

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ACCOUNTABILITY ISSUES FOR ONE-STOP SYSTEMS

INTRODUCTION

One of the four federal goals of the One-Stop initiative is to make One-Stop systems “outcome-driven.” This has been interpreted by most One-Stop states as requiring workforce development systems to pay attention to *customer outcomes*, including:

- Measures of employment, earnings, and skill enhancements achieved by individual One-Stop customers.
- Measures of job-seeker satisfaction with services and service outcomes.
- Measures of whether employers using One-Stop services have located and hired new workers as a result
- Measures of employer satisfaction with services and service outcomes.

Process measures can play important roles in an outcome-driven system. However, within outcome-driven systems, process measures should be justified because of their usefulness in explaining how and why desired customer outcomes occurred (or failed to occur), rather than because of any a priori validity.

Another common understanding about the goals of One-Stop accountability is that outcome-driven systems should use information about outcomes to identify needed system changes through a *continuous improvement process* involving feedback, analysis, and system refinement.

The purpose of this working paper is to provide a framework for California One-Stop planners and practitioners to use in planning how information about One-Stop processes and outcomes should be used to ensure One-Stop accountability and enhance system improvements through the distinct, but related, processes of (1) certification; (2) performance management; and (3) impact evaluation.

CERTIFICATION

One-Stop implementation states have used certification and chartering processes to support the start-up of One-Stop systems and to promote local

design and implementation plans that are consistent with statewide goals. Certification procedures have been used to accomplish a number of different operational objectives, including:

- *Selecting local systems to receive One-Stop implementation grants.* Ensuring that local One-Stop systems (or individual centers) have an appropriate One-Stop design and implementation plan before they can receive approval for projects funded with One-Stop implementation grant funds.
- *Certifying local One-Stop policy boards.* Ensuring that One-Stop governance structures meet the criteria necessary to guide local One-Stop systems and carry out other administrative functions delegated to the local level.
- *Certifying One-Stop centers as ready for operation.* Ensuring that that local One-Stop centers meet a minimum set of One-Stop design and operational criteria (usually process measures) before they can use the name and logo associated with the state's "One-Stop career center" system in advertising their services to the public.
- *Ensuring that One-Stop centers are continuing to meet basic operational and outcome criteria over time.* Designing ongoing One-Stop operational criteria and/or performance goals that can be used to assess adherence to basic One-Stop design, service, and outcome criteria over time.

During 1996, SPR reviewed the criteria used by 12 different first and second round implementation grant states to certify local centers, systems, or boards, or charter One-Stop center operators. The certification requirements established by different states are intended to shape local One-Stop systems in certain ways to ensure that the DOL concepts of universality, customer choices, integration of services, and outcome-driven systems were realized. In developing certification standards, states usually try to ensure a certain amount of statewide consistency in the scope and quality of services offered. To a greater or lesser degree, states are also interested in influencing how services are offered. Although some states are more prescriptive than others, all states recognize the need to let local areas develop One-Stop service systems that are responsive to local conditions.

In most states, the authority for certifying local One-Stop systems or centers is retained at the state level. Several states (e.g., Massachusetts and North Carolina) delegated the authority to charter or certify local centers to local

workforce boards. Texas “certifies” local workforce development boards, which then have substantial discretion to select local service providers and guide the design and delivery of One-Stop services.

During the first year of One-Stop implementation, certification criteria consisted largely of qualitative process measures describing requirements for One-Stop organization and structure, partners, services, physical facilities, and technology linkages. However, a number of states anticipate introducing performance measures into their certification/chartering processes. At least initially, most states have required that One-Stop centers collect information on agreed-upon outcome measures—including customer satisfaction—and work on collecting information and basing continuous improvement efforts on measures identified by the state as part of its emerging One-Stop accountability system. As One-Stop systems mature, the need for centers to be “recertified” will emerge. For a number of states, recertification may be contingent upon the documented achievement of selected performance goals.

ONE-STOP PERFORMANCE MEASUREMENT SYSTEMS

Performance measurement systems are designed to answer questions important to system managers, including how local One-Stop system performance compares to performance goals, previous performance at a given site, and performance in other sites. The overall purpose of performance measurement systems is to provide a framework of measures that can be used to support some or all of the following operational objectives:

- Documenting “baseline” operational systems and customer outcomes at the beginning of One-Stop system transformation.
- Tracking changes in overall state and local performance over time.
- Setting goals that identify desired performance improvements and/or absolute performance levels.
- Identifying and rewarding sites with high performance.
- Analyzing how to support and replicate high performance levels in other performance areas and in other sites.
- Promoting continuous improvement by identifying areas of low performance and supporting the development of strategies to improve performance in these areas.

Rather than impose a standardized federal framework for the measurement of One-Stop system performance, the U.S. Department of Labor (DOL) has encouraged each One-Stop implementation state to identify its own performance measures based on the state's One-Stop system transformation goals. In addition, a federal interagency Workforce Development Performance Measures Policy Committee is working to promote the coherence and comparability of One-Stop performance measures by supporting the development of a shared "menu of measures."

Some states have chosen to design comprehensive workforce development performance measurement systems whose overall goals provide an "umbrella" for and encompass the performance goals and measures of a number of individual categorical programs. Other states are choosing to develop narrower One-Stop performance measurement systems whose goals and measures supplement the goals of individual categorical programs.

Performance measurement systems may examine a number of different aspects of One-Stop system performance, including:

- *Visibility, market penetration, and utilization rates.*
- *Equity of access* measures that address goals for serving specific customer subpopulations.
- *Process measures* that assess progress in implementation qualitative aspects of One-Stop organizational, service design, and service delivery goals.
- *Outcome measures*, as described on the first page of this working paper.
- *Cost-efficiency and cost-effectiveness measures* that assess whether customer outcomes are achieved in a cost efficient way.

In its application to DOL for a state One-Stop implementation grant, California indicated that it would use five clusters of measures to assess One-Stop system accomplishments. The exhibit below summarizes how these proposed outcome measures compare to the possible areas of One-Stop performance measurement.

Potential One-Stop Performance Measures	Proposed California Measures
Visibility, market penetration, and utilization rates	
Equity of access measures	<ul style="list-style-type: none"> The extent to which diverse populations are able to access and receive services, in relation to their representation in the local population.
Process Measures	
Customer Outcome Measures	<ul style="list-style-type: none"> Employment outcome measures. Learning outcomes measures. Customer satisfaction measures.
Cost Effectiveness/Efficiency Measures	<ul style="list-style-type: none"> A measure or measures for statewide return on investment that considers reduced public expenditure for social programs.

One-Stop performance measurement systems can be used to provide information about a wide range of accomplishments for use by a variety of system stakeholders. Among the different *perspectives* from which One-Stop performance can be viewed are the following:

- Measures of *overall system performance*, including the extent that potential employer and job-seeker customers are aware of and use the One-Stop system, overall customer outcomes, and the overall level of satisfaction of current customers.
- Measures of *the effectiveness of different services within the One-Stop system*, such as self-access services, guided or group services, and intensive services, such as education and training services.
- Measures of *how the system is performing for customer groups with different employment objectives*, such as employers versus job-seekers; and students versus job-seekers versus employed workers.

- Measures of *how the system is performing for individuals likely to need more intensive or specialized services*, such as individuals with limited basic skills or limited English, individuals with disabilities, or individuals making the transition from welfare to work.

First steps in developing a performance measurement system include:

(1) deciding what functions the performance measurement system is intended to support; (2) selecting performance measures that reflect state One-Stop system objectives; (3) identifying the universe and subgroups to which each performance measure should be applied; (4) determining how to collect consistent information on performance for all intended subgroups at reasonable cost; and (5) planning for use of information on performance measures as inputs into continuous improvement efforts.

Subsequent steps include: (6) measuring baseline performance on selected measures; (7) setting state and local performance objectives; (8) training managers on how to use performance information on an ongoing basis (e.g., whether and how to reward high-performing systems or identify strategies for improving problematic performance); and (9) adding data elements, as needed, over time to support performance analysis and system management.

During the early stages of One-Stop implementation, a number of states and local sites have emphasized the use of process measures and customer satisfaction measures to supplement existing outcome measures required for specific categorical programs.

To foster use of performance measures to support program improvement efforts, states and local areas have also emphasized training managers and direct service staff on how to use performance information to identify problem areas, diagnose why problems occurred, set measurable goals for improvement, and monitor whether system refinements have had the intended effect of improving measured performance in the targeted areas. It may also be important to monitor whether any unintended effects have occurred as a result of system changes.

Among the most difficult challenges of developing One-Stop performance measurement systems are:

- Deciding which customer outcome measures should apply to different groups within the universe of potential and actual One-Stop

customers (depending, for example, on employment objectives and intensity of services received).

- Developing integrated data systems with consistent definitions and comparable data across different funding streams.
- Collecting information about the utilization of self-access services and identifying how this important category of services influences customer satisfaction and customer outcomes.

EVALUATING THE ONE-STOP SYSTEM TRANSFORMATION

The One-Stop initiative is based on the assumption that a system that realizes the features described in One-Stop certification and performance measurement systems—such as interagency planning and integrated service delivery—will have improved customer outcomes compared to workforce development systems that do not follow the One-Stop model, all other conditions being equal.

Evaluations of One-Stop system transformation address several questions, as follows:

- *Implementation evaluations* address questions about how the transformed system differs from the previous system, what challenges were encountered during the planning and implementation process and how these challenges were overcome.
- *Process evaluations* address questions about how One-Stop systems vary in their organization, governance, service design and delivery features, and how different agencies collaborate in the design and delivery of One-Stop services.
- *Impact evaluations* address questions about how One-Stop system outcomes differ from the outcomes that would have occurred under a less integrated workforce development system.

Both process and impact evaluations of One-Stop system transformation need to pay attention to process measures. Process evaluations address how and why different One-Stop systems develop differing organization and governance features and how these features influence One-Stop service design and delivery. Impact evaluations document variations in the key features of One-Stop system design and level of system maturity across the sites implementing One-Stop approaches and use these measures to analyze differences in outcomes across sites with different features.

To assess the impacts of One-Stop systems, evaluations also need to collect and analyze information about system outcomes. To make internally valid comparisons of the impact of One-Stop implementation within a given site, comparable outcome data have to be collected for the period prior to One-Stop implementation and the One-Stop period. It may also be necessary to adjust for variations in customer characteristics or local labor market features over time using multivariate analysis techniques.

Thus, to implement a cross-site evaluation of the impact of One-Stop system transformation in the different sites receiving implementation grants, California could collect and compare information about workforce development system outcomes in One-Stop project sites before and after the implementation of One-Stop systems. In addition, the state could compare the pre-post differences in workforce development system outcomes between sites with more fully-developed and less-developed One-Stop systems.

As a result of their rigorous research requirements and expense, implementation, process, and impact evaluations are likely to be performed for a specific evaluation period rather than on an ongoing basis. In contrast, performance measurement systems are intended to provide ongoing information about system outcomes for use by program managers. Despite their significant cost, however, periodic impact evaluations provide a useful check on what the causal relationships are between workforce development system design features, implementation practices, and improved customer outcomes.

ISSUES FOR DISCUSSION AND PLANNING REGARDING ONE-STOP SYSTEM ACCOUNTABILITY IN CALIFORNIA

- Planning for local discretion within a standardized statewide accountability framework.
- Identifying state and local operational objectives for certification and performance measurement procedures.
- Assigning state and local certification and performance measurement roles and responsibilities.
- Designing an evolving certification and performance measurement system: first steps versus long-term plans.
- Training managers to use accountability measures to support continuous improvement efforts.

- Identifying state and local One-Stop evaluation objectives.